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# THE ROYAL BANK OF CANADA Annual Statement 1969

AR02





# Executive Officers

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**Chairman and President** W. Earle McLaughlin

**Executive Vice-President** John H. Coleman

**Vice-President** D. S. Anderson (*Toronto*)

**Chief General Manager** J. K. Finlayson

**Senior General Manager** R. W. Shannon

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## General Managers

### HEAD OFFICE

J. H. Cornish (*Administration*)

R. C. Frazee (*Canadian Districts*)

B. J. McGill (*International*)

W. Moodie (*Loans and Investments*)

### DISTRICTS

G. H. Mercier (*Montreal*)

T. F. Whitley (*Toronto*)

W. D. H. Gardiner (*Vancouver*)

## Deputy General Managers

### HEAD OFFICE

J. M. Bankes

M. G. Clennett

G. S. Dinwoodie

G. B. Langley

J. E. Morgan

R. A. Utting

C. L. Walker

H. E. Wyatt

### DISTRICTS

T. S. Dobson (*Montreal*)

H. E. McClenaghan (*Calgary*)

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## Assistant General Managers

### HEAD OFFICE

R. M. Cattell

D. S. Coombes

H. S. Hardy

A. A. Johnson

J. M. Jones

B. M. Lamont

D. B. Marsh

R. M. Mitchell

R. C. Paterson

R. I. C. Picard

C. L. Snyder

R. G. P. Styles

### DISTRICTS

J. C. McMillan (*Halifax*)

P. A. Frechette (*Montreal*)

W. A. Gohl (*Montreal*)

N. H. P. Hardinge (*Manager, Montreal Branch*)

C. O. Rochon (*Montreal*)

W. L. Arthur (*Toronto*)

J. E. Broadley (*Toronto*)

J. J. Fortune (*Toronto*)

T. C. Heckman (*Toronto*)

W. D. Henry (*Manager, Toronto Branch*)

G. B. Wilson (*Toronto*)

D. W. Morison (*Winnipeg*)

H. Bower (*Regina*)

H. P. Weatherill (*Vancouver*)

J. F. Smith (*Manager, London, England Branch*)

A. de Takacsy (*President, The Royal Bank of Canada (France) and European Representative*)

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# THE ROYAL BANK OF CANADA Annual Statement 1969

as at October 31st

## Notice to Shareholders

The annual general meeting of the shareholders of the Bank will be held at the Head Office, The Royal Bank of Canada Building, Place Ville Marie, in the City of Montreal, on Thursday the 8th day of January, 1970, at 11 o'clock, a.m.

The annual report, and the proceedings of the annual meeting, will be sent to all shareholders of the Bank in due course.



# Statement of Revenue, Expenses and Undivided Profits

	Year Ended October 31 1969	Year Ended October 31 1968
<b>REVENUE</b>		
Income from loans	\$ 514,138,785	\$ 361,926,985
Income from securities	104,641,181	99,762,994
Other operating revenue	77,303,144	66,354,227
Total Revenue	\$ 696,083,110	\$ 528,044,206
<b>EXPENSES</b>		
Interest on deposits	\$ 348,403,280	\$ 232,318,562
Salaries, pension contributions and other staff benefits	138,394,277	115,861,177
Property expenses, including depreciation	36,756,734	33,058,734
Other operating expenses, including provision for losses on loans based on five year average loss experience	52,198,691	44,610,330
Total Expenses	\$ 575,752,982	\$ 425,848,803
Balance of revenue	\$ 120,330,128	\$ 102,195,403
Appropriation for losses (see note)	36,580,000	30,271,000
Balance of profits before income taxes	\$ 83,750,128	\$ 71,924,403
Provision for income taxes relating thereto	43,220,000	36,600,000
Balance of profits for the year (per share 1969 — \$1.22; 1968 — \$1.06)	\$ 40,530,128	\$ 35,324,403
Dividends (per share 1969 — 77¢; 1968 — 70¢)	25,613,280	23,284,800
Amount carried forward	\$ 14,916,848	\$ 12,039,603
Undivided profits at beginning of year	1,567,236	1,527,633
	\$ 16,484,084	\$ 13,567,236
Transferred to Rest Account	15,000,000	12,000,000
Undivided profits at end of year	\$ 1,484,084	\$ 1,567,236

NOTE: Under revised rules issued by the Minister of Finance in September 1969, the current year's appropriation for losses is not allowable as a deduction in the determination of taxable income. The provision for income taxes relating thereto has been charged to the accumulated appropriations for losses.



# Statement of Accumulated Appropriations for Losses

(Bracketed amounts are deductions)

	Year Ended October 31 1969	Year Ended October 31 1968
<b>ACCUMULATED APPROPRIATIONS AT BEGINNING OF YEAR</b>		
General appropriations	\$ 121,633,164	\$ 97,565,767
Tax-paid appropriations	9,036,518	7,852,485
<b>Total</b>	<b>\$ 130,669,682</b>	<b>\$ 105,418,252</b>
Appropriation from current year's operations	\$ 36,580,000	\$ 30,271,000
Excess of provision for losses on loans based on five year average loss experience (included in other operating expenses) over loss experience on loans for the year	4,489,360	1,928,387
Profits and losses on securities, including provisions to reduce securities other than those of Canada and the provinces to values not exceeding market	(3,155,579)	(984,106)
Other profits, losses and non-recurring items, net	29,635	(5,963,851)
Provision for income taxes	(18,880,000)	—
<b>ACCUMULATED APPROPRIATIONS AT END OF YEAR</b>		
General appropriations	\$ 119,973,506	\$ 121,633,164
Tax-paid appropriations	29,759,592	9,036,518
<b>Total</b>	<b>\$ 149,733,098</b>	<b>\$ 130,669,682</b>

## Statement of Rest Account

	Year Ended October 31 1969	Year Ended October 31 1968
Balance at beginning of year	\$ 292,000,000	\$ 280,000,000
Transferred from undivided profits	15,000,000	12,000,000
<b>Balance at end of year</b>	<b>\$ 307,000,000</b>	<b>\$ 292,000,000</b>

# Statement of Assets

ASSETS	October 31 1969	October 31 1968
Cash and due from banks	\$ 2,236,407,748	\$1,401,866,539
Cheques and other items in transit, net	56,918,317	149,869,029
Total Cash Resources	\$ 2,293,326,065	\$1,551,735,568
Securities issued or guaranteed by Canada, at amortized value	\$ 1,226,558,192	\$1,370,430,570
Securities issued or guaranteed by provinces, at amortized value	48,502,727	54,262,217
Other securities, not exceeding market value	428,066,608	629,263,092
Total Securities	\$ 1,703,127,527	\$2,053,955,879
Day, call and short loans to investment dealers and brokers, secured	\$ 513,529,340	\$ 392,654,290
Other loans, including mortgages, less provision for losses	5,238,995,331	4,346,430,107
Total Loans	\$ 5,752,524,671	\$4,739,084,397
Bank premises at cost, less amounts written off	\$ 93,285,592	\$ 90,009,188
Securities of and loans to corporations controlled by the bank	40,544,068	30,611,572
Customers' liability under acceptances, guarantees and letters of credit, as per contra	310,478,450	273,854,880
Other assets	2,872,926	3,966,088
	\$10,196,159,299	\$8,743,217,572

NOTE: The above statement includes the assets and liabilities of the following subsidiaries of the Bank:

The Royal Bank of Canada (France)  
The Royal Bank of Canada International Limited and subsidiary



# and Liabilities

LIABILITIES	October 31 1969	October 31 1968
Deposits by Canada	\$ 88,543,973	\$ 67,624,695
Deposits by provinces	221,006,909	210,890,220
Deposits by banks	884,059,674	520,668,498
Personal savings deposits payable after notice, in Canada, in Canadian Currency	3,467,071,027	3,080,057,955
Other deposits	4,647,543,033	4,075,832,723
Total Deposits	\$ 9,308,224,616	\$ 7,955,074,091
Acceptances, guarantees and letters of credit	\$ 310,478,450	\$ 273,854,880
Other liabilities	52,711,051	23,523,683
Total Sundry Liabilities	\$ 363,189,501	\$ 297,378,563
Accumulated appropriations for losses	\$ 149,733,098	\$ 130,669,682
Capital stock:		
Authorized—50,000,000 shares of \$2 each <u>\$100,000,000</u>		
Issued and fully paid—33,264,000 shares	\$ 66,528,000	\$ 66,528,000
Rest Account	307,000,000	292,000,000
Undivided profits	1,484,084	1,567,236
Total Shareholders' Equity	\$ 375,012,084	\$ 360,095,236
	\$10,196,159,299	\$8,743,217,572

W. EARLE McLAUGHLIN,  
Chairman and President

J. K. FINLAYSON  
Chief General Manager

# Statements of Assets and Liabilities

## THE ROYAL BANK OF CANADA TRUST COMPANY (Incorporated under the laws of the State of New York)

Statement as at October 31, 1969 (In U.S. Dollars)

ASSETS		LIABILITIES	
Cash in banks	\$ 5,425,244	Deposits, demand	\$32,648,308
United States Government securities, at amortized value	4,777,377	Deposits, time	31,083,071
Other securities, at amortized value	35,219,421	Deposits by banks	787,521
Loans and discounts	30,429,580	Letters of credit	3,709,848
Real estate, building and equipment, less depreciation	639,361	Other liabilities	290,939
Customers' liability under letters of credit	3,709,848	Capital stock fully paid (100,000 shares of \$100 each)	10,000,000
Other assets	1,178,880	Surplus Fund	1,238,000
		Undivided profits	1,622,024
	\$81,379,711		\$81,379,711

NOTES: (1) The Royal Bank of Canada owns the entire capital stock of The Royal Bank of Canada Trust Company with the exception of the directors' qualifying shares. This investment is carried on the books of the Bank at U.S. \$9,910,000.

(2) Under New York Banking Law the Surplus Fund is not available for the payment of dividends. The Fund must be built up to 65% of Capital Stock and until this has been accomplished transfers of not less than 10% of each year's net income must be made to the Fund.

## GLOBE REALTY CORPORATION, LIMITED (Incorporated under the laws of Canada)

and its wholly owned subsidiary company

Globe Building Corporation

Condensed Consolidated Statement as at October 31, 1969 (in Canadian Dollars)

ASSETS		LIABILITIES	
Cash in bank	\$ 17,952	Accounts payable	\$ 223,540
Balance due on sale of property	1,188,000	The Royal Bank of Canada	17,424,679
Real estate, buildings and equipment, less depreciation	36,267,346	First mortgage bonds: Series C, 1970-1975 (\$500,000 due August 1, 1970)	3,500,000
Other assets	16,205	Capital stock fully paid (40,320 shares of \$100 each)	4,032,000
		Surplus	12,309,284
	\$37,489,503		\$37,489,503

NOTE: The Royal Bank of Canada owns the entire capital stock of Globe Realty Corporation, Limited. This investment is carried on the books of the Bank at \$1,614,000.



# ties of Controlled Corporations

## THE ROYAL BANK OF CANADA TRUST CORPORATION LIMITED (Incorporated under the laws of Great Britain)

Statement as at September 30, 1969 (In Sterling)

ASSETS		LIABILITIES	
Cash in bank	£ 3,963,703	Deposits	£ 3,598,997
Loans and advances	2,409,085	Accounts payable and other liabilities	171,943
Mortgage loans	268,794	The Royal Bank of Canada	2,685,112
Other assets	64,470	Capital stock fully paid (250,000 shares of £1 each)	250,000
£ 6,706,052		£ 6,706,052	

NOTE: The Royal Bank of Canada owns the entire capital stock of The Royal Bank of Canada Trust Corporation Limited. This investment is carried on the books of the Bank at £250,000.

## WEST INDIES TRUST CORPORATION LIMITED (Incorporated under the laws of the Bahama Islands)

and its wholly owned subsidiary companies

Royal Bank Trust Company (Barbados) Limited

Royal Bank Trust Company (Cayman) Limited

Royal Bank Trust Company (Guyana) Limited

Royal Bank Trust Company (Jamaica) Limited

Royal Bank Trust Company (Trinidad) Limited

Consolidated Statement as at September 30, 1969 (In Bahamian Dollars)

ASSETS		LIABILITIES	
Cash in bank	\$ 1,249,135	Deposits	\$ 2,643,817
Securities, at cost (not exceeding market value)	289,774	Accounts payable and other liabilities	144,971
Mortgage loans	2,490,115	Capital stock fully paid (550,000 shares of \$2.86 each)	1,573,000
Other assets	376,032	Surplus	43,268
\$ 4,405,056		\$ 4,405,056	

NOTE: The Royal Bank of Canada owns the entire capital stock of West Indies Trust Corporation Limited. This investment is carried on the books of the Bank at B\$1,571,429.



# Statements of Assets and Liabilities

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	\$81,379,711		\$81,379,711

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and its wholly owned subsidiary company

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	\$37,489,503		\$37,489,503

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## WEST INDIES TRUST CORPORATION LIMITED (Incorporated under the laws of the Bahama Islands)

and its wholly owned subsidiary companies

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Royal Bank Trust Company (Cayman) Limited

Royal Bank Trust Company (Guyana) Limited

Royal Bank Trust Company (Jamaica) Limited

Royal Bank Trust Company (Trinidad) Limited

Consolidated Statement as at September 30, 1969 (In Bahamian Dollars)

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	\$ 4,405,056		\$ 4,405,056

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NOTE: The Royal Bank of Canada owns the entire capital stock of West Indies Trust Corporation Limited. This investment is carried on the books of the Bank at B\$1,571,429.



# Auditors' Reports

## *To the Shareholders, The Royal Bank of Canada:*

We have examined the statement of assets and liabilities of The Royal Bank of Canada as at October 31, 1969 and the related statements of revenue, expenses and undivided profits and accumulated appropriations for losses for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these statements present fairly the financial position of the Bank as at October 31, 1969 and its revenue, expenses and undivided profits and its accumulated appropriations for losses for the year then ended.

M. LAIRD WATT, C.A.  
of Price Waterhouse & Co.  
G. MEREDITH SMITH, C.A.  
of Touche Ross & Co.

Auditors

Montreal, December 2, 1969

## *To the Shareholders, The Royal Bank of Canada:*

We have examined the statements of assets and liabilities of controlled corporations of The Royal Bank of Canada as at the dates indicated. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these statements present fairly the financial position of the corporations as at the dates indicated.

M. LAIRD WATT, C.A.  
of Price Waterhouse & Co.  
G. MEREDITH SMITH, C.A.  
of Touche Ross & Co.

Auditors

Montreal, December 2, 1969



# Royal Bank Representation

## Canada

### Branches

Newfoundland . . . . .	20
Nova Scotia . . . . .	81
Prince Edward Island . . . . .	6
New Brunswick . . . . .	25
Quebec . . . . .	184
Ontario . . . . .	413
Manitoba . . . . .	85
Saskatchewan . . . . .	98
Alberta . . . . .	102
British Columbia . . . . .	133
North West Territories . . . . .	2
Yukon . . . . .	1
	<hr/>
	1,150
Other Countries . . . . .	115
	<hr/>
<b>Total (including sub-branches) . . . . .</b>	<b>1,265</b>

## Other Countries

The Royal Bank of Canada is represented through branches, subsidiary or associated banks or resident representatives in the following countries:

Argentina	Grand Cayman
Bahamas	Great Britain
Barbados	Guyana
Belgium	Haiti
Brazil	Hong Kong
British Honduras	Jamaica
Cayman Islands	Lebanon
Colombia	Peru
Dominican Republic	Puerto Rico
France	Trinidad & Tobago
French West Indies	United States
Germany	Venezuela
	West Indies



